

compete for the allocation on an equal basis. Nonetheless, the Commission believes that there may be legitimate reasons why an unlisted company may want to remain with the related company's specialist unit or may believe it is more appropriate to be allocated to a new specialist unit rather than the one that has dealings with the related company. For the same reasons, the Commission believes that the provisions which allow a listing company to choose Option 2 and request that the Allocation Committee include or exclude the specialist unit registered in the related listed stock are reasonable. Accordingly, the Commission finds these provisions are consistent with the Act.

The Commission finds good cause for approving proposed Amendment No. 1 prior to the thirtieth day after the date of publication of notice of filing thereof in the **Federal Register**. The Commission notes that Amendment No. 1 further clarifies the process by which listings are allocated to specialist units and raises no new regulatory issues. Specifically, Amendment No. 1 interprets the Policy's provisions relating to interviews between listing companies and specialist units, written materials provided to listing companies by specialist units, and specialist units' contact with listing companies during the six month period prior to the solicitation of allocation applications and helps to strengthen the proposal and ensure compliance with the Policy. Regarding the deletion of the proposal to permit listing companies to state their preference not to be traded by units trading competitors' stock, the Commission notes that the elimination of this provision, which would have further restricted the pool of specialist units to be allocated a particular listing, raises no issues of regulatory concern. Finally, the Commission notes that no comments were received on the publication of the proposal or at the time of the approval and subsequent extensions of the pilot program. Accordingly, the Commission believes that good cause exists, consistent with Section 6(b)(5) of the Act,²³ to approve Amendment No. 1 to the NYSE's proposed rule change on an accelerated basis.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning Amendment No. 1. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange

Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of all such filings will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to File No. SR-NYSE-97-30 and should be submitted by February 18, 1998.

V. Conclusion

The Commission believes that the Exchange's amended pilot program, which allow greater listing company input, has been crafted to ensure that allocation decisions continue to be based primarily on specialist performance and objective criteria. In addition, the Commission believes that the procedures adopted by the NYSE in the Policy will help to identify, minimize and penalize potential conflicts arising out of the relationships between specialist units and listing companies and ensure the continued integrity of the allocation process. Based on this, we believe the permanent approval of Option 2, along with the amendments to the Policy, are reasonable and consistent with the requirements of the Act applicable to a national securities exchange, and in particular, with the requirements of Section 6 of the Act²⁴ and the rules and regulations thereunder.

It is therefore ordered, pursuant to section 19(b)(2) of the Act,²⁵ that the proposed rule change (SR-NYSE-97-30), including Amendment No. 1, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²⁶

Margaret H. McFarland,
Deputy Secretary.

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²⁴ 15 U.S.C. 78f.

²⁵ 15 U.S.C. 78s(b)(2).

²⁶ 17 CFR 200.30-3(a)(12).

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Deadline for Submission of Application for Airport Grant Funds Under the Airport Improvement Program (AIP) for Fiscal Year 1998

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice.

SUMMARY: The Federal Aviation Administration (FAA) announces May 1, 1998, as the deadline for having on file with the FAA an acceptable application for airport grant funds under the AIP for fiscal year 1998.

FOR FURTHER INFORMATION CONTACT: Mr. Stanley Lou, Manager, Programming Branch, Airports Financial Assistance Division, Office of Airport Planning and Programming, APP-520, on (202) 267-8809.

SUPPLEMENTARY INFORMATION: Section 47105(f) of Title 49, United States Code, provides that the sponsor of each airport to which entitlement funds are apportioned shall notify the Secretary, by such time and in a form as prescribed by the Secretary, of the sponsor's intent to apply for passenger and cargo entitlement funds. Notification of the sponsor's intent to apply during fiscal year 1998 for any of its entitlement funds, including those unused from prior years, shall be in the form of a project application (SF 424) submitted to the FAA field office no later than May 1, 1998.

This notice is promulgated to expedite and prioritize grants in the final quarter of the fiscal year. Absent an acceptable application by May 1, FAA intends to defer an airport's entitlement funds until the next fiscal year.

Issued in Washington, DC, January 22, 1998.

Stan Lou,
Manager, Programming Branch.

[FR Doc. 98-2015 Filed 1-27-98; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Notice of Passenger Facility Charge (PFC) Approvals and Disapprovals

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Monthly Notice of PFC Approvals and Disapprovals. In December 1997, there were seven applications approved. This notice also includes information on two

²³ 15 U.S.C. 78f(b)(5).